JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)

Office of Acquisition Operations
Technology Acquisition Center

23 Christopher Way

Eatontown, New Jersey 07724

- 2. <u>Description of Action</u>: The proposed action is for a three month, Firm-Fixed-Price modification to Task Order (TO) VA118-1005-0053 issued under the Transformation Twenty-One Total Technology (T4) Contract VA118-11-D-1005. This modification will be for a three month extension to the base period of the TO from April 4, 2016 through July 3, 2016 to revise the architecture developed under the design requirements of Pharmacy Re-Engineering (PRE) Inbound ePerscribing (eRx) Design and Development.
- 3. Description of the Supplies or Services: The TO described above is for the procurement of contractor support to develop a new software component as part of the PRE program to receive inbound eRx(s) from an external provider (e.g. a doctor not associated with Department of Veterans Affairs (VA); medical staff at a Department of Defense military and treatment facilities) with the ability to process, fill and dispense the prescription in the Veterans Health Information Systems and Technology Architecture Outpatient Pharmacy module. Specifically, this effort shall provide contractor support for the development of a complete solution for the PRE Inbound eRx project to include Information Technology product development, software development, management, system administration and support, testing, system integration, Authority to Operate approval of the product, deployment/implementation, and training. On September 8, 2015 TO VA118-1005-0053 was awarded and the Firm-Fixed-Price base period was fully funded. The base period was for technical and programmatic requirements analysis, documentation support, validation, verification, and design of the system. Technatomy completed the requirements analysis required and provided a software and system architecture design. The system architecture design included leveraging the VA Enterprise Messaging Infrastructure (EMI) platform for the delivery of pharmacy transactions, which was acceptable to the Government at the time of submission. On March 1, 2016 the VA Program Manager was informed that the VA EMI would no longer be available to integrate with the PRE Inbound eRx system. The current contractor informed the VA that the architecture could be revised, and provided potential alternative solutions that do not leverage EMI for the system architecture. The additional three months of design support will ensure that the Contractor has adequate time to design, document, and seek approvals for their alternative design approach to utilizing EMI. Because the base period is scheduled to end on March 21, 2016, the three month extension is required to allow the contractor to update their designs and documents and submit their designs for Architecture Engineering Review Board review with enough time to receive approval before the development increment begins. The total estimated price for this proposed modification is \$512,841.00.
- 4. Statutory Authority: The Statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c)(3) as implemented by the Federal Acquisition

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Regulation (FAR) Subpart 16.505(b)(2)(i)(C), entitled "The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already used under the contract, provided that all awardees were given fair opportunity to be considered for the original order."

5. Rationale Supporting Use of Authority Cited Above: The proposed source for this action is Technatomy Cooperation, 3554 Chain Bridge Road Suite 100. Fairfax, Virginia, 22030. Technatomy Inc. was awarded the original TO on September 8, 2015, on a competitive basis under the T4 contract vehicle. Awarding the proposed action as a logical follow-on provides significant economic and efficient value to the Government.

Technatomy Corporation currently provides the design support for the Inbound eRx system under the current TO. The contractor had successfully completed design of the system per VA's requirements but on March 1, 2016, VA and the contractor were informed that a major VA component utilized in the proposed architecture, EMI, would no longer be available. Due to the unexpected change in available Government resources, Technatomy proposed alternate solutions to system architecture, one of which would leverage Data Access Services instead of EMI. The VA PM reviewed Technatomy's alternate design solution and found it to be an acceptable design approach. However, the current base period is schedule to end on March 21, 2016, which is insufficient time to accurately design, document, and seek approvals for the alternate solution prior to the start of the development phase. It is estimated that an additional three months is required in the design phase to implement Technatomy's alternative design solution and receive the required approvals to proceed to developing the system. Technatomy is knowledgeable with the current infrastructure, has the appropriate staff access to complete the work, has completed the required system discovery and requirements analysis, and has a current plan of action for implementing their alternative solution. If a contractor, other than Technatomy, was tasked to complete this work, new resources would need to be on-boarded and provided with the correct access. Additionally, the new contractor would need to complete significant system discovery and requirements analysis effort in order to understand the Inbound eRx architecture and design and which Technatomy has already completed. It is estimated that this onboarding and transiting process would take no less than 60 days in addition to the three months of actual performance to complete the planning required. The current contractor has the ability to perform work without additional impact to the Government's schedule, and would not require the additional costs associated with onboarding and transitioning a new contractor for the design requirements. Technatomy has a solid understanding of the Inbound eRx system and has proposed a path forward to ensure the project is completed without even further delays. Extending the current base period by three months will ensure continuity of mission critical services required for VA to be able to execute its mission to deliver healthcare and benefits services directly to Veterans. If the planning period is not extended the VA will be without a workable design for the Inbound eRx system, which will lead to delays in the deployment of a system that will allow for efficient electronic fulfillment of electronic prescriptions needed by Veterans. Therefore, the aforementioned services are required for three additional months in order to provide progress on design and development of the Inbound eRx system without further delays.

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- 6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. Due to the critical need for continuity of support, there is no competition for this acquisition. In accordance with FAR 5.301(a)(2)(ii) the proposed action will be synopsized on the Federal Business Opportunities (FBO) Page and this Justification for an Exception to Fair Opportunity will be also be posted to FBO.
- 7. <u>Actions to Increase Competition</u>: Barriers to future competition are not anticipated. Competitive procurements for the future requirements of the Inbound eRx system are anticipated.
- 8. Market Research: Market Research was performed in March 2016, by the Government's technical experts to determine the availability of other sources that are capable of satisfying the aforementioned requirements. Market Research was performed by researching various Contractors' capabilities under T4. While sources were found that could meet VA's general capabilities, no sources were found that could economically and efficiently meet VA's requirements in a seamless manner within the immediate timeframe required. It was determined that utilizing the already existing TO is the most efficient and suitable method for completing the required design services for the Inbound eRx system. Based on market research, Technatomy Cooperation, as the incumbent contractor, has the established technical expertise, technical approach, and approved VA access for completing the remaining design service under the current TO in the most time efficient and cost effective manner.
- 9. Other Facts: In accordance with FAR 16.505(b)(2)(i)(C), this logical follow-on effort shall be awarded on a sole-source basis as all awardees were given a fair opportunity to be considered for the original order.

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